



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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November 27, 2001

Larry Lehto  
12868 West Ellsworth Place  
Lakewood, Colorado 80228

Re: Receipt of Permit Application Fee, Acceptance of Small Mining Transfer, Cactus #1 – Serendipity #6 Project, S/023/076, Juab County, Utah

Dear Mr. Lehto:

Thank you for your \$100.00 permit application fee which was received by the Division on November 26, 2001. The transfer for the Cactus #1 – Serendipity #6 Project, is ***now considered complete and in effect***. No additional information is required by the Division at this time. ***As the new operator responsible for mining and reclamation of these two sites, you may commence operations***, provided you have obtained written approval from the BLM to proceed on federal managed lands.

If you wish to expand your operation beyond the five (5) acre limitation, please notify our office as soon as possible to discuss the necessary permitting requirements. Approval of a large mining notice could take from six to twelve months or longer.

For your reference, I have enclosed copies of our summarized rules regarding "Operation and Reclamation Practices," and the statutory penalty for failure to reclaim a minesite (SMO-1). Please give special consideration to item #10 of the "Operation and Reclamation Practices. Stockpiling topsoil material prior to beginning your mining operation will help ensure successful revegetation efforts upon final reclamation of the minesite. If the area being mined is a solid rock outcrop, or if the land surface is very rocky, then soil stockpiling is probably not possible. However, even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory release from reclamation requirements.

Thank you for your cooperation. When in the area, a member of the Division staff will examine the site. Best wishes with your mining operation.

Sincerely,

Tom Munson  
Senior Reclamation Specialist